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ABSTRACT

This guide is designed to serve as a reference for community leaders in identifying key sources of support and actions to consider taking in the event of a prospective or actual mass layoff in their community. The guide is divided into four separate checklists of suggested actions. The first, and most detailed, section is directed to mayors, county commissioners, and other city or county chief executives. Other sections contain checklists for officials of plants laying off workers, union officers representing these workers, and managers of employment service offices in the area. Each section lists the government programs that provide specific types of assistance and refers readers to specific items in the appendix. These appendix items give more detailed information on each program, including who qualifies for benefits or services; how to apply for them; and names, addresses, and telephone numbers of organizations to contact for aid. (LRA)

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A Guide for Communities Facing Major Layoffs or Plant Shutdowns

Action Checklist for Community Leaders

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U.S. Department of Labor
Ray Marshall, Secretary
Employment and Training Administration
Ernest G. Green
Assistant Secretary for Employment and Training
1980

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Foreword

This booklet is a convenient reference for community leaders in identifying key sources of support and actions to consider taking in the event of a prospective or actual mass layoff in their community.

All types of community leaders and organizations—mayors, Chambers of Commerce, community colleges, veterans organizations, employers and union officials—can use this document to help their communities reduce the impact of mass layoffs, or assist in the rebuilding process. The booklet's suggested actions include convening a broadly representative community coordinating committee and obtaining technical assistance from a local university to identify feasible economic development opportunities and to assist workers who have been displaced. It also urges employers to apply for Trade Adjustment Assistance if pending mass layoffs result from foreign import competition. The booklet further recommends that union leaders may want to try to negotiate a staggered layoff so that the labor market can better absorb displaced workers. In addition, it advises the local employment service offices to arrange with management to conduct job application interviews on released time at the plant prior to the layoff.

This booklet provides a comprehensive and compact reference to key public assistance programs, and supplements this essential information with suggestions on how communities can be mobilized.

HOWARD ROSEN
Director
Office of Research and Development

Introduction

A plant closes down and several hundred workers lose their jobs. Particularly if the firm was a principal employer of the local work force, the community is in deep trouble. When many workers are unemployed, local businesses lose customers, and local government must serve rising social needs, with sharply reduced tax revenues to support additional services.

Every year, a number of communities across the country must face up to this grim prospect. What can local leaders do to prevent the plant closing or minimize its effects? Most communities have little or no experience with mass layoffs, and hence their leaders may need some exact information and guidance to plan an effective response. Detailed information on all the outside assistance available to the affected workers, businesses, and community should be particularly useful. Before preparing this booklet, the author reviewed all available material related to the subject; he turned up some pamphlets on particular programs but no single publication adequate to guide local leaders. This booklet is designed to fill that information need. It pulls together material from many difference sources in an effort to supply a comprehensive, easily usable guide.

To make this information readily accessible to the various local leaders concerned with mass layoffs, the booklet is divided into four separate checklists of suggested actions. The first, and most detailed, section is directed to mayors, county commissioners, and other city or county chief executives. Other sections contain checklists for officials of plants laying off workers, union officers representing these workers, and managers of employment service offices in the area. Each section lists the Government programs that provide specific types of assistance and refers readers to specific items in the appendix. These appendix items give more detailed information on each program, including who qualifies for benefits or services; how to apply for them; and names, addresses, and telephone numbers of organizations to contact for aid.

The checklist for local government leaders contains detailed guidance on such activities as:

- Helping local governments to promote economic recovery by obtaining technical assistance for firms considering new or expanded operations and providing financial aid or tax incentives to encourage new industry.
- Organizing a community effort by all concerned groups to evaluate the situation, find out about assistance available to the community, and decide on needed actions.

- Helping laid-off workers take advantage of Government and company benefits to replace lost income.
- Helping workers obtain any needed training or retraining and find new jobs, either in the locality or elsewhere.

Similarly, the checklists for other local leaders have specific suggestions on ways to minimize the hardships resulting from mass layoffs.

This booklet lists possible actions by communities of different sizes and characteristics. It is designed to help local leaders cope with varying degrees of economic disruption. Obviously, not all actions are necessary or feasible for every community or every situation. Hence local leaders are advised to consider each suggestion and select those most appropriate to the needs of their community.

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Checklist for Community's Chief Elected Official

Actions to Organize Community Effort to Meet the Situation

Obtain reliable information from plant (or base) management regarding mass layoff or plant closedown including timing; schedule, if staggered; number of persons affected.

Appoint, convene, and arrange for subsequent meetings of a broadly representative community coordinating committee (or community action team). Consider for membership representatives from: management of the affected plant, union or unions having members laid off, Chamber of Commerce, State Employment Security local and State offices and ETA regional office, local and State economic development and EDA offices, welfare agencies, local central labor body, community colleges, technical or vocational training schools, and the communication media.

Consider the need for or feasibility of obtaining technical assistance for the committee from university or other organizations.

Alert congressman's and governor's offices about plant closedown or mass layoff for possible future help from them.

Apply to President's Economic Adjustment Committee for special assistance if the community is facing mass layoff as a result of reduction in defense personnel, defense contract termination, or military base closure. (See Item 3 in Appendix.)

Identify with committee main tasks (short- and long-term) facing the community to mitigate effects of shutdown or mass layoff (possible actions follow).

Appoint one or more members of the community coordinating committee to take responsibility for each task and for reporting at group meetings on progress made toward its accomplishment.

Actions to Prevent, Delay, or Minimize Mass Layoff

Have coordinating committee develop and implement a plan to:

Discuss with management of firm, when plant closedown reports first surface, what might be done to avoid or postpone plant closedown or reduction in operations that would lead to substantial layoffs.

Make sure that management is aware of the Trade Adjustment Assistance Program of the Economic Development Administration (EDA) for firms which are experiencing or are threatened with mass layoffs as a result of import competition. This program includes technical assistance and loans and loan guarantees. In addition, discuss possibility of employer assisting in the filing of a petition for Trade Adjustment Assistance for workers with the Department of Labor. (See Items 1 and 2 in the Appendix.)

Consider feasibility and potential methods of purchase and operation of plant by workers, middle management of existing firm, or other firms. (See p. 13 for additional comments.)

Emphasize to management importance of developing contingency planning; providing advance notice; keeping employees informed; and, if practicable, staggering layoffs so labor market can better absorb laid-off workers.

Actions to Help Maintain or Replace Workers' Loss of Income

Have coordinating committee develop and implement a plan to:

Encourage all laid-off workers to file claims for unemployment insurance promptly at the local Employment Security offices. If the claim load justifies, arrange for facilities at the plant, union hall, or public schools for workers to file claims.

Make sure that a petition for Trade Adjustment Assistance is filed with the U.S. Department of Labor if the layoff or shutdown appears to be caused by import competition. (See Item 2 in the Appendix.)

Advise eligible workers of the desirability of filing Trade Readjustment Allowance (TRA) claims promptly if a favorable decision is made regarding Trade Adjustment Assistance. (See Item 4 in the Appendix.)

Check with management and union regarding benefits available to laid-off workers from employer, such as severance pay, vacation pay, retirement or early retirement, continuance of health/hospitalization insurance, and life insurance. Make sure workers are informed about these benefits (and about the benefits and assistance noted below).

Urge employer to allow workers to accept jobs that begin before layoff date without losing benefits such as severance pay, so that these benefits do not become disincentives to reemployment.

Encourage and assist workers whose family situation qualifies them to make application to receive welfare assistance, food stamps, etc.

Determine whether unemployed workers are eligible for rental assistance under Section 8 program administered by HUD and expedite actions, if needed. (See Item 5 in the Appendix.)

Assist in making arrangements, if needed, for moratorium on mortgage payments, repayment of credit union loans, or other stopgap measures with the cooperation of various organizations such as local banks, FHA, HUD, VA, and EDA (title IX). (See Item 14 in the Appendix.)

Check whether laid-off workers are eligible for other benefits under provisions of Public Works and Economic Development Act.

Actions to Help in Reemployment of Laid-off Workers

Have coordinating committee develop a plan to:

Discuss with the employer and union contract provisions or company policies or plans for transferring workers to other plants within the company and for offering job preference for future openings in these plants. See if transfers can be made without loss of seniority and fringe benefits, such as vacations, and whether moving expenses can be reimbursed.

Obtain information from employer on worker demographics, length of service, skills of laid-off workers, etc. Studies have shown that workers' success in finding new jobs are affected by age, sex, level of education, skill level, marital status, and race. These must be taken into consideration in developing reemployment strategies.

Discuss with Employment Service its efforts to assist workers through its mass layoff program, which includes job counseling, testing, interviewing, job development, and matching job codes of workers interested in relocating with selected job bank openings in national data banks.

Arrange for job counseling and other assistance by company, union, central labor body, and/or other community resources to supplement Employment Service efforts, if necessary.

Organize a job development program, in consort with Employment Service, including an intensive canvass of employers within commuting distance, especially of those who employ workers with kinds of skills possessed by laid-off workers. Utilize the company, the local and international union, the Chamber of Commerce, the central labor body, the National Alliance of Business, churches, veterans' organizations, and other resources to assist in job development.

Check and take advantage of job search assistance of various legislation. Make sure that laid-off workers are aware of financial assistance in job search and in moving to new job under legislation such as Trade Act and Airline Deregulation Act. (See Item 7 in the Appendix.)

Explore with Comprehensive Employment and Training Act (CETA) prime sponsor the availability of public service jobs for laid-off workers. Make sure that prime sponsor is aware of provisions of the 1978 amendments pertaining to situations involving

large-scale loss of jobs due to closing of facilities or mass layoffs. (See Item 8 in the Appendix.)

Make sure that the civilian Department of Defense priority placement program has been activated if the layoff involves Defense employees.

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Actions to Help Laid-Off Workers in the Form of Training or Retraining

Have coordinating committee develop and implement plan to:

Check to see whether firm has any provisions for training or retraining laid-off workers.

Determine, with assistance of Employment Service and CETA prime sponsor, retraining needs of laid-off workers to equip them with new skills needed to match the jobs available, and make effort to find training slots both in educational institutions and on-the-job training with prospective employers.

Take survey asking local vocational educators in schools, institutions, and centers what training they can offer the unemployed. Prepare adult education program for retraining the unemployed in occupations for which job possibilities exist in the area or within commuting distance. See if community college or other competent organization will assume major responsibility for this effort.

Review vocational education programs of community to assure that they are responsive to local needs and that classes are formed around needs of workers.

Discuss with CETA prime sponsors possible training programs for laid-off workers. Encourage workers (when and if eligible) to apply to CETA prime sponsor for training.

Consider the need and feasibility of the Employment Service applying for grant for training to laid-off workers under Trade Act or other legislation.

If threatened layoff is at a Department of Defense (DOD) facility, determine whether a program can be established to provide employees with an opportunity for retraining and developing new skills at the facility before layoff.

Actions to Help in Rebuilding Economic Base of Community

Establish and operate an economic development subcommittee and/or utilize an existing local economic development organization to spearhead the effort to rebuild the community's economic base and develop long-term strategies (See Item 9 in Appendix.)

Designate appropriate members of subcommittee to evaluate economic situation in area.

Consider applying for EDA Technical Assistance or Technical Assistance Grants. Consider feasibility of obtaining technical assistance from consulting organizations to help in developing program. (See Items 10 and 11 in Appendix.)

Consider feasibility and potential methods of purchase and operation of closed or closing plant by such groups as the workers, a coalition of workers and the community, the firm's middle management, or other firms. Obtain support of local and State development offices and Federal agencies in this action.

Develop program to encourage retention and expansion of existing plants. Determine, through plant visit, barriers preventing the expansion of local enterprises and what the community might do to remove them. Check with EDA about eligibility for business development assistance. Loans and loan guarantees are available to businesses seeking to establish, expand, or maintain operations in EDA-designated areas. (See Item 6 in Appendix.)

Arrange for meetings or workshops for the Small Business Administration (SBA) to explain SBA assistance programs to small and minority businesses. SBA provides management, technical, and financial assistance to local businesses. (See Item 12 in Appendix.)

Consider assisting in the creation of in-plant labor-management committees to improve working conditions and productivity in existing plants in ways that will lead to their expansion and the creation of new jobs, if possible with a minimum of new capital investment. (See Item 13 in Appendix.)

Develop programs to attract new industry to community to provide jobs for laid-off workers and rebuild economic base of community. Consider developing financial assistance programs for recruiting new firms. Determine industries related to community's work force skills and locational characteristics. Develop and send out promotional materials on incentives and opportunities in community to prospective new firms in these industries. Provide skills inventory of unemployed workers to potential

employers. Consider having toll-free number for inquiries. Obtain assistance from existing manufacturers in contacting their suppliers and customers who might be interested in an adjacent location.

Investigate the possibility of obtaining a title IX grant from EDA to prepare a comprehensive plan to address the dislocation. Title IX funding can also be used to implement an adjustment plan. (See Item 14 in Appendix.)

Investigate and use State development legislation and programs that assist communities in economic development through technical assistance, low-interest loans, or creation of nonprofit industrial development corporations. (See Item 15 in Appendix.)

Try to arrange for industrial procurement conference, initiated by congressional delegation, that might aid local firms.

Review options regarding industrial parks. The growth needs of existing and new firms may require the construction of industrial parks, particularly if adequate plant sites are not readily available, properly zoned, adjacent to highways and other transportation, and reasonably served by utilities and services. If feasible, utilize EDA technical assistance in this effort.

Determine community's ability to provide good access and public services to new and existing industries. The investment and location decisions of firms often depend on the availability of public services.

Explore backlog of public works for which financing and engineering could be expedited because of the employment emergency. Check with EDA about its public works program that provides grants and loans for public works and development facilities needed to attract new industry and encourage business expansion. (See Item 17 in Appendix.)

Investigate the possibility of using Industrial Revenue Bonds and other financing methods for new construction and equipment for expansion of existing plants or for new industry.

Utilize other Government programs in economic development effort, such as the Urban Development Action Grant Program of HUD. Action grants are designed to assist severely distressed cities and urban counties to revitalize local economies through a combination of public and private investments. (See Item 16 in Appendix.)

Checklist for Management of Firm Facing Mass Layoff or Closedown

Provide as much advance notification of the plant shutdown or mass layoff as possible to workers, their representatives, and community chief elected official. Indicate proposed schedule of layoffs, if staggered. Keep workers informed of changes in schedule.

Consider applying for Trade Adjustment Assistance to firm authorized by Trade Act of 1974 if threatened mass layoffs result from foreign import competition. There are two types of assistance. One is "technical assistance," which provides for Federal Government to pay all or a good part of the cost of specialized consultants who help businesses with marketing, engineering, financial, management, or similar studies. A second type is "financial assistance," which consists of Federal loan guarantees or direct loans for working capital, new machinery or equipment, new or renovated buildings, and similar purposes. (See Item 1 in Appendix.)

Spread layoffs over the maximum length of time practicable so labor market can better absorb laid-off workers. If possible, do not concentrate staggered layoffs on one skill at a time.

Meet with union representatives (where there is a union(s) involved) at the earliest possible time to discuss ways to implement the provisions of collective bargaining agreements concerning layoff and benefits and to make the displacement as smooth as possible.

Determine labor-management contract provisions and company policy and plans regarding severance pay, vacation pay, retirement and early retirement, continuance of health/hospitalization insurance and life insurance, and other benefits. Provide employees with information on these issues on a continuing basis.

Consider allowing employees to accept jobs before layoff date without losing benefits such as severance pay so that these benefits do not become disincentives to reemployment.

Transfer workers to another plant within company, where practical. If possible, provide relocation assistance, transfer workers without loss of seniority and fringe benefits, such as vacations, and provide for potential transferees to visit the new communities on short trial, without jeopardizing other benefits.

Become an active member of the community coordinating committee or community action team formed by chief elected official.

Help employees file petition for Trade Adjustment Assistance with the U.S. Department of Labor, if the layoff or shutdown appears to be caused by import competition. If a favorable decision is made, inform workers of Trade Readjustment Allowances

for which they might be eligible. (See Items 2 and 4 in Appendix.)

Provide time and space for pre-layoff registration by workers with the State Employment Service, if the number of workers to be displaced is large, and if the layoff schedule permits.

Assign management staff to assist community coordinating committee and community agencies in uncovering potential employers for workers scheduled to be laid off. Have them call other employers in area and outside area regarding possible openings. Invite representatives of other firms into plant to conduct interviews. Provide workers released time for job interviews.

Provide information on length of service, skills of laid-off workers, etc. to community coordinating committee and Employment Service.

Provide assistance to employees in preparing applications and making resumes. Provide letters of recommendation and advice on interviewing skills.

Provide counseling to workers as soon as layoff is announced.

Notify CETA prime sponsor of schedule, number, and characteristics of employees being laid off. Explore with prime sponsor possible training availability and public service employment jobs. (See Item 8 in Appendix.)

Cooperate with economic development committee in their exploration of the feasibility and potential methods of reopening and/or purchase of plant if the plant is being closed down.

Make sure application has been made to President's Economic Adjustment Committee for special assistance to communities to mitigate effects of defense cutbacks if the mass layoff is resulting from major defense personnel cutback, defense contract termination, or military base closure. (See Item 3 in Appendix.)

Checklist for the Union

Discuss with management of firm, when closedown reports first surface, the reasons for decision to close down and what might be done to avoid plant shutdown or mass layoff (e.g., productivity, wages, or other worker related problems).

Obtain reliable information from plant management on layoff including timing, schedule, if staggered, and number of workers affected. Arrange with plant management for providing continuing information.

Try to negotiate staggering of layoff so labor market can better absorb displaced workers. Negotiate for continued employment of principal union officers during staggered layoff.

Assist chief elected official in forming a community coordinating committee or community action team to help accelerate the readjustment process. Cooperate with and become a member of the committee.

Notify central labor body, State federation, international office of union and the national office of the AFL-CLO regarding mass layoff and/or plant closedown.

Meet with management regarding severance pay, vacation pay, retirement and early retirement, retraining, continuance of health/hospitalization and life insurance, and other employee benefits. Make sure all members are aware of these benefits.

Discuss with the employer feasibility of allowing workers to accept jobs before layoff date without losing benefits such as severance pay so that these benefits do not become disincentives to reemployment.

Negotiate with employer regarding transferring workers to other plants of company, if any, and for job preference for future openings in these plants. See if transfers can be made without loss of seniority and fringe benefits such as vacations. See if firm will pay for moving expenses of transferring workers and for traveling expenses of potential transferees to visit the new communities.

Encourage laid-off workers to file claims for unemployment insurance promptly at the local Employment Security office. If the claim load justifies, arrange for facilities at union hall, plant, or public school to file claim. If Supplemental Unemployment Benefits (SUB) are in contract, expedite payment.

File or assist workers in filing a petition for Trade Adjustment Assistance with the U.S. Department of Labor, if the layoff or shutdown appears to be related to import competition. Follow up with the Department of Labor to see that application is acted upon expeditiously. (See Item 2 in Appendix.)

Encourage eligible workers to file Trade Readjustment Allowance (TRA) claims promptly. (See Item 4 in Appendix.)

Inform eligible laid-off workers of financial assistance in job search and in relocation to new jobs under Trade Act and other legislation. (See Item 7 in Appendix.)

Inform displaced workers about the availability of welfare assistance, food stamps, etc. and where and how to make application for benefits. Assist in making arrangements, if needed, for moritorium on mortgage payments, repayment of credit union loans, rental assistance, and other stopgap measures through appropriate agencies and organizations.

Discuss with Employment Service officials possible activation of its mass layoff procedures.

Check with CETA prime sponsor regarding availability of public service jobs and training slots for laid-off workers. Inform workers about applying to CETA prime sponsor.

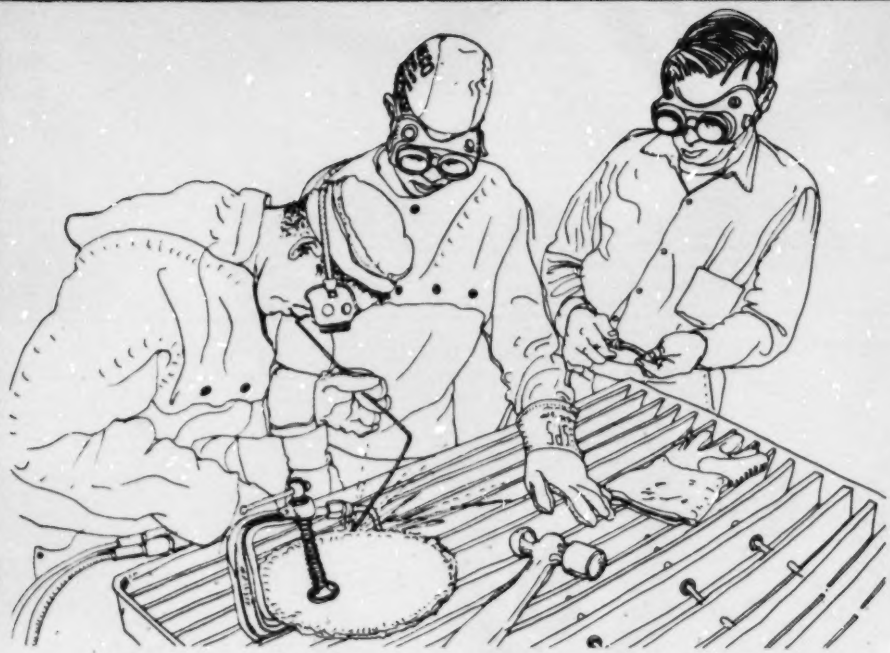
Join in job development efforts of community coordinating committee, the Employment Service and others. Contact your labor, business, and civic sources for leads to job openings and try to connect laid-off workers with these openings with Employment Service help.

Help workers interested in relocation to prepare personal resumes and arrange with International Union for their circulation to companies with which it has contracts elsewhere in the country, especially where expansion is taking place.

Explore with management, industrial development organizations, and other civic leaders and industry contacts elsewhere in the country (with help from international union) the possibility of purchase and operation of the plant by some other company.

Explore the feasibility of the workers purchasing and operating the plant with or without community participation, if it can be made profitable.

Make sure that the Civilian Department of Defense Priority Placement Program has been activated, if this is a layoff involving a Federal defense facility and Government employees.



Checklist for Local Employment Service and Unemployment Insurance Office Managers

Visit employer and obtain reliable information on timing and schedule of layoff and number and characteristics of persons affected when actual or impending layoff becomes known. Prepare initial report of significant layoffs (ETA-235). Prepare subsequent reports when sufficient additional information is available or when layoff is staggered.

Explain currently available services of the Employment Security agencies to employer, union officials, and mayor, if needed.

Try to arrange with management to conduct job application interviews on released time at the plant prior to layoff, if layoff schedule permits. Assign occupational titles and codes to workers reflecting qualifications. Also obtain from workers data regarding attitude toward mobility (both occupational and geographical), wage demands, attachment to labor force, training, etc.

Arrange with management to conduct pre-layoff sessions at the plant on "job finding" techniques, including information on where and how to search for a job, how applicants should present themselves, what to expect, and how to complete applications and resumes.

Try to carry out these activities at the Employment Service offices, union hall, public schools, or other central places, if the above pre-layoff services cannot be undertaken or are not completed at the plant. Obtain assistance from community college or other organizations in this effort, if needed.

Arrange for special services for unemployed persons in need of employment and personal counseling or testing during application interviews and followup interviews. Identify supportive services available in community. Make contact with appropriate agencies for participation and support.

Provide information to workers regarding filing for unemployment insurance.

Determine additional staffing and other administrative needs caused by increased workloads resulting from mass layoff and bring this information to the attention of the appropriate State Employment Security Agency officials.

Become member of and cooperate fully with community coordinating committee or community action team formed to mitigate effects of mass layoff or plant closedown.

When the ETA-235, Report of Significant Layoff, indicates that exports may be the cause of the layoffs, provide information to workers and employers on petition filing under the Trade Act of 1974 and provide petition forms for Trade Adjustment Assistance. (See Item 2 in the Appendix.)

When a petition has been filed, obtain wage and separation information needed to establish Trade Readjustment Allowance (TRA) entitlement (if the petition is certified).

Determine workers' eligibility and tell them how to file for Trade Readjustment Assistance (TRA) at the Unemployment Insurance office, if a favorable decision is made regarding Trade Adjustment Assistance. (See Item 4 in the Appendix.)

Consider activation of a telephone hotline at Employment Service office regarding unemployment insurance and trade read-

justment benefits, if the situation warrants. Advertise hotline through newspapers, radio, and TV spots.

Consult with management of the workers' firm and union or other representatives to develop a training plan to retrain workers to meet manpower needs of the firm if the firm or appropriate subdivisions are still operating. A training program may be designed to assist the firm in increasing its efficiency through improved skills, job dilution, the use of new equipment, in the conversion to new product lines, or for any other purpose which will enable the firm to restore or maintain its employment level.

Explore with company officials the possibility of finding suitable employment elsewhere within the firm, if the firm has other plants. Relocation assistance is available to eligible workers under the Trade Act to help effect such transfers (providing such expenses are not payable by the employer or from other sources).

Conduct job development campaign in cooperation with community coordinating committee to advertise the availability of the workers and generate suitable job opportunities. When possible,

arrange for interviews by potential employers on the plant premises, union hall, or at the local Employment Service office.

Inform local Employer Council about layoff and seek their help in reemployment effort.

Obtain cooperation of National Alliance of Business and veteran's organizations in job development effort.

Make use of newspapers, radios, and TV in job development effort. Consider daily job listing announcements over radio, including stations in nearby communities.

Initiate action to be put into effect interarea recruitment and job bank service procedures.

Assist eligible workers to take advantage of job search and relocation allowances under the Trade Act and other legislation, when appropriate. (See Item 7 in Appendix.)

Make sure that Employment Service representatives are alert to identify, at intake and other early contacts, obstacles to employability planning and employment, including medical, legal, financial, childcare, and other problems. Have staff develop information related to supportive services available from other agencies.

Communicate with CETA prime sponsor regarding mass layoff and the possibility of prime sponsor shifting priorities of groups to be served due to the emergency. Advise workers about applying to CETA prime sponsor regarding public service employment and training opportunities.

Consider the need and advisability of applying for supplementary grants to cover training needs.

Cooperate fully with the President's Economic Adjustment Committee in aiding in reemployment of workers and otherwise assisting community to mitigate the effects of the layoff, if this is a layoff involving a Federal defense facility closure or major procurement contract cutback. Assistance may include labor market information, services to displaced workers, and job development efforts. (See Item 3 in Appendix.)

Appendix—
Additional Information

Item 1. Trade Adjustment Assistance for firms is a U.S. Government program to help producing companies adjust to business problems caused by competition from imports. The program is authorized by the Trade Act of 1974. In order to get help, a firm must be certified by EDA as having been harmed by imports. It must file a petition form ED 435 with EDA. Petition forms and additional information can be obtained by contacting the Trade Act Certification Division, Economic Development Administration, Room 6022, U.S. Department of Commerce, Washington, D.C. 20230, telephone (202) 377-5005. After a firm is certified, it may apply for technical and financial assistance to develop and put into effect a proposal for the firm's recovery.

Item 2. Trade Adjustment Assistance for workers is a Federal program administered by the U.S. Department of Labor and cooperating State employment security agencies under provisions of the Trade Act of 1974. Any group of three or more workers of a firm, their union, employer, or duly authorized representative, who feel that increased import competition has contributed significantly to the workers' unemployment or underemployment may petition the U.S. Department of Labor for a determination of eligibility to apply for adjustment assistance. The petition form (ILAB Form 20) may be obtained from the nearest office of the State Employment Security agency or by contacting U.S. Department of Labor, Bureau of International Labor Affairs, Office of Trade Adjustment Assistance, Washington, D.C. 20301, telephone (202) 523-6225.

Item 3. The President's Economic Adjustment Committee becomes involved in serious community economic adjustment problems which are caused by defense program changes involving sizable personnel reduction, base closures, or major procurement contract cutbacks. A request for assistance to the President's Economic Adjustment Committee can come from local leaders, an area congressman, or the Governor of a State. A team from the Office of Economic Assistance visits the community and, with the help of local leaders, does an evaluation of the area. The Federal team may advise a community on how to draw up a plan of action and continue to work with local leadership to get the plan off to a good start. The staff's expert knowledge of the type of assistance available from various Fed-

eral agencies is used to aid the community in its economic readjustment program. To obtain further information or to apply for assistance, contact Director, Office of Economic Adjustment, Office of the Secretary of Defense, Room 3E772, The Pentagon, Washington, D.C. 20301, telephone (202) 697-9155.

Item 4. Trade Readjustment Allowances (TRA) are weekly payments which, when added to State unemployment insurance (UI) payments to which a worker is entitled, equal 70 percent of the average weekly wage the worker earned before his or her employment was disrupted by import competition. The maximum TRA a worker may receive can be no greater than the national average weekly wage in manufacturing. A worker may receive basic TRA for up to 52 weeks. A worker 60 years of age or older at the time of separation may receive up to 26 additional weeks of allowance. A worker enrolled in or approved for training may receive up to 26 additional weeks of allowances in order to complete training.

Item 5. The Department of Housing and Urban Development's (HUD) Section VIII Housing Assistance Payments Program is designed to aid families who are unable to afford decent housing. HUD pays the difference between what a lower-income family can afford and the HUD-appraised rent for an adequate housing unit. Eligible tenants are not expected to pay more than 25 percent of adjusted income toward rent, plus utilities. Information on the rental assistance program can be obtained from the regional and area offices of HUD.

Item 6. Under its business loan program, EDA offers financial assistance in the form of loans and guarantees to new or expanding commerical and industrial enterprises in order to create long-term employment. EDA may participate in the project cost consisting of land, buildings, machinery, and equipment. EDA also provides working capital loans and guarantees loans for working capital made to private borrowers by private lending institutions. To be eligible for this assistance, the proposed project must be located in a designated redevelopment area of high unemployment and/or low family income. For further information, contact the State or regional office of EDA in your area, or the Office of Private Sector Investments, Economic Development Administration, U.S. Department of Commerce, Washington, D.C. 20230, telephone (202) 377-5236.

Item 7. A job search allowance consists of reimbursement for expenses incurred by a worker in seeking suitable reemployment. An unemployed worker may be certified eligible for a job search allowance if he or she is seeking employment within the

United States and cannot be reasonably expected to find satisfactory employment within the commuting area. Reimbursements are for 80 percent of the worker's necessary job search expenses, not to exceed $500. A relocation allowance consists of reimbursement to a worker for expenses incurred in moving to another locality to obtain employment. An unemployed worker who is unable to find suitable employment within the commuting area may be certified to receive an allowance to cover 80 percent of reasonable and necessary moving expenses plus a lump sum (up to $500) equal to three times the worker's average weekly wage. To be eligible for a relocation allowance, a worker must have obtained suitable permanent employment within the United States or a bona fide offer of such employment and be entitled to TRA during the week the application for relocation allowances is made.

Item 8. The purpose of the Comprehensive Employment and Training Act (CETA) is "to provide job training and employment opportunities for economically disadvantaged unemployed or underemployed persons which will result in an increase in their earned income and to assure that training and other services lead to maximum employment opportunities. . . ." The CETA Amendments of 1979 provide funds to the Secretary of Labor for special programs and activities, including employment and training programs, that serve individuals who become unemployed as a result of the closing of a facility, mass layoffs, natural disasters, or similar circumstances. In addition to public service employment (PSE) and job training, the Act provides for job search and relocation assistance.

Item 9. The objectives would be to stimulate jobs and business development through the use of public and private leadership and resources, to mitigate outmigration and closing of businesses through improved business retention and expansion activities, and to improve the community's economic and fiscal condition through expansion of existing firms and attraction of new industries.

Item 10. The EDA Technical Assistance Program helps communities, firms, and organizations lay the groundwork for economic development by helping them to evaluate resources for maximum use. This assistance may include a feasibility study to determine the effects of proposed industrial development, a comprehensive study of an area's resources, or the provision of information on developing job-generating enterprises. Applications for technical assistance services or technical assistance grants may be submitted to the EDA Regional Office Director for the Regional Office responsible for the applicant's State or to

the Director, Office of Technical Assistance, Economic Development Administration, U.S. Department of Commerce, Washington, D.C. 20230.

Item 11. There are a number of nonprofit organizations that assist communities in their economic development activities. For example, one such organization has a Community Advisory Service which for a nominal fee brings a team of experts into a community to assist in the formulation of local economic development policies and programs. The emphasis is on customized assistance tailored to each community's needs. The organization also has an economic development information clearinghouse service as well as training institutes providing seminars covering issues, concepts, tools, and techniques of economic development.

Item 12. The Small Business Administration (SBA) provides without charge technical assistance to small businesses in such areas as: sales promotion, engineering and research, financial analysis, foreign trade, market research, and government procurement. Small manufacturers, service concerns, wholesalers, and other businesses may borrow from the SBA to construct, expand, or convert facilities, purchase buildings, equipment or materials, or obtain working capital. For business loan purposes, SBA defines a small business as one that is independently owned and operated and meets employment or sales standards developed by the agency. In manufacturing, for example, the number of employees may range up to 1,500 depending on the industry. For more information, contact one of the 96 SBA field offices located around the country.

Item 13. For information for such committees, see, for example, "Starting a Labor-Management Committee in Your Organization: Some Pointers for Action," National Center for Productivity and Quality of Working Life, Spring 1978.

Item 14. The Sudden and Severe Economic Dislocation Program is located in the Office of Special Adjustment Assistance of the Economic Development Administration. The program provides funds for development of a plan of adjustment to a sudden and severe economic dislocation, and can assist in funding the implementation of an approved adjustment plan. Grants under this program can be used by the grantee for direct expenditures, to make "subgrants" to approved subgrantees, or to provide loans or loan guarantees to public or private entities. A wide variety of adjustment implementation projects can be funded through this program. The dislocation for which adjustment assistance is sought must have taken place within the previous 12 months, or

be expected to take place within the coming 2 years. Eligible grantees are State governments, units of local government, consortia of local governmental units, economic development districts, and nonprofit organizations representing EDA designated redevelopment areas. For further information, contact the State or regional office of the Economic Development Administration for your area, or the Office of Special Adjustment Assistance, U.S. Department of Commerce, Washington, D.C. 20230, telephone (202) 377-2659.

Item 15. Most States have development legislation. For example, Michigan has a Job Development Act which authorizes direct low-interest loans to industry, financed by tax exempt "moral obligation" Job Development Act Bonds. Also, Michigan's Local Economic Development Corporation Act authorized municipalities and counties to create nonprofit economic corporations (EDCs). EDCs can acquire, improve, construct and/or sell land and buildings; acquire equipment and machinery; enter into leases and lease purchase agreements to finance construction and acquisition of equipment; and obtain tax-exempt financing for each of the above.

Item 16. The Urban Development Action Grant Program is a flexible economic development tool which seeks to create partnerships among Government, the community, and private industry to overcorne problems of development. Action grants can be used to provide "front-end" funding (immediately available startup money) that allows communities to capture and leverage applicant private investments; respond to unique, perhaps one-time opportunities while they are current; and make substantial resources available when needed to join other Federal departments in meeting distressed cities' reinvestment needs. The program is designed to encourage innovation in joint public-private community development and can address a wide range of problems and opportunities. For example, a major company may announce its intention to leave the community, but agree to stay if the community can provide land for expansion; an opportunity may arise to convert underutilized land or structures to more productive use; or a developer may offer to undertake a major development if the community can provide additional public facilities and services. A community must request a determination of eligibility from a HUD area office before submitting an application for an action grant. HUD area offices are located around the country. Questions regarding this program can be addressed to: Office of Public Affairs, Room 9245, HUD, 451 Seventh St., SW., Washington, D.C. 20410, telephone (202) 755-5284.

Item 17. Under its public works program, EDA is authorized to participate in public works and development facilities projects which generate significant numbers of job opportunities for the unemployed and underemployed. EDA may provide grants to acquire, construct, rehabilitate, alter, expand, or improve public works facilities, including related machinery and equipment. Projects must directly or indirectly improve the opportunities for the successful establishment or expansion of industrial or commercial plants or facilities, or otherwise assist in the creation of additional long-term employment opportunities, or primarily benefit the long-term unemployed and members of low-income families, or otherwise substantially further the objectives of the Economic Opportunity Act of 1964. To be eligible for public works assistance, the proposed project must be located in a designated redevelopment area. For further information, contact the State or regional office of EDA in your area, or the Office of Public Investments, Economic Development Administration, U.S. Department of Commerce, Washington, D.C. 20230, telephone (202) 377-5265.

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